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PERU PRODECENTRALIZATION PROGRAM

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ACRONYMS AND ABBREVIATIONS

AMPE	<i>Asociación de Municipalidades del Perú</i> (Peruvian Municipalities Association)
ANGR	<i>Asamblea Nacional de Gobiernos Regionales</i> (National Regional Governments Assembly)
CENEPRED	<i>Centro Nacional de Estimación, Prevención y Reducción de Riesgos de Desastre</i> (National Center for Disaster Risk Estimation, Prevention and Reduction)
CGR	<i>Contraloría General de la República</i> (National Comptroller's Office)
CEM	<i>Centro de Emergencia Mujer</i> (Woman Emergency Center)
CEDIF	<i>Centro de Desarrollo Integral de la Familia</i> (Centers for Family Integral Development)
CIAM	<i>Consejo Interregional Amazónico</i> (Inter-regional Amazon Council)
COPARE	<i>Consejo Participativo Regional de Educación</i> (Participatory Regional Education Board)
COPALE	<i>Consejo Participativo Local de Educación</i> (Participatory Local Education Board)
CRED	<i>Control del Crecimiento y Desarrollo del Niño Menor de Cinco Años</i> (Growth and development control of children under five years)
DEMUNA	<i>Defensoría Municipal del Niño y del Adolescente</i> (Municipal Ombudsman Child and Adolescent)
DIRESA	<i>Dirección Regional de Salud</i> (Regional Direction of Health)
DP	<i>Defensoría del Pueblo</i> (Ombudsman's Office)
DRE	<i>Dirección Regional de Educación</i> (Regional Direction of Education)
FOCAS	Functional Organization Capacity Assessment
FONIE	<i>Fondo para la Inclusión Económica en Zonas Rurales</i> (Fund for Economic Inclusion in Rural Areas)
FY 2014	Fiscal Year 2014
GGD	<i>Grupo de Gestión Descentralizada</i> (Decentralized Management Groups -DMG, Cluster's)
GIZ	<i>Gesellschaft Für Internationale Zusammenarbeit</i>
GOP	Government of Peru
ICI	Index of the institutional capacities
INDECI	<i>Instituto Nacional de Defensa Civil</i> (National Institute of Civil Defense)
JAAS	<i>Juntas Administradoras de Agua y Saneamiento</i> (Water and Sanitation Administrative Boards)
JNE	<i>Jurado Nacional de Elecciones</i> (National Jury of Elections)
MCLCP	<i>Mesa de Concertación Para la Lucha Contra la Pobreza</i> (Roundtable on the Fight Against Poverty)
MEF	<i>Ministerio de Economía y Finanzas</i> (Ministry of Economy and Finance)
MIDIS	<i>Ministerio de Desarrollo e Inclusión Social</i> (Ministry of Development and Social Inclusion)
MIMP	<i>Ministerio de la Mujer y Poblaciones Vulnerables</i> (Ministry of Women and Vulnerable Populations)
MINEDU	<i>Ministerio de Educación</i> (Ministry of Education)
M&E	Monitoring and Evaluation
ONDS	<i>Oficina Nacional de Diálogo y Sostenibilidad</i> (National Dialogue and Sustainability Office)
ONG	<i>Organización No-Gubernamental</i> (Non-governmental Organizations)
CSOs	Civil Society Organizations

PAIMNI	<i>Programa de Acciones Integrales para Mejorar la Nutrición Infantil en San Martín</i> (Program to Improve Child Nutrition in San Martín)
PCM	<i>Presidencia del Consejo de Ministros</i> (Prime Minister's Office)
PEI	<i>Plan Estratégico Institucional</i> (Institutional Strategic Plan)
PEMP	<i>Plan Educativo de Mediano Plazo</i> (Mid-Term Education Plan)
PI	Plan de Incentivo Municipal (Municipal Incentive Plan)
PIPs	Public Investment Projects
PMP	Program Monitoring and Evaluation Plan
QSIP	<i>Plan de Mejora de la Calidad de Servicios</i> (Quality Service Improvement Program)
QSIP	Quality Service Improvement Program
REMURPE	<i>Red de Municipalidades Rurales del Perú</i> (Peruvian Rural Municipalities Network)
SD/PCM	<i>Secretaría de Descentralización-PCM</i> (Decentralization Secretariat at the Prime Minister's Office)
SGP/PCM	<i>Secretaría de Gestión Pública-PCM</i> (Public Management Secretariat of the Prime Minister Office – PCM)
SINAGERD	<i>Sistema Nacional de Gestión del Riesgo de Desastres</i> (National Disaster Risk Management System)
TA	Technical Assistance
UGEL	<i>Unidad de Gestión Educativa Local</i> (Local Education Management Unit)
UNICEF	United Nations Children Funds
USAID	United States Agency for International Development

ANNUAL REPORT

INTRODUCTION

Year Two of USAID's ProDecentralization Program unfolded within a very complex and difficult social, political and institutional context in the departments of Amazonia, which had a significant impact on planned activities. Some of the difficulties the Program encountered include the following:

- Social movements against the implementation of national interdiction policies against illegal mining activities (Madre de Dios/ Huaypetue and La Pampa are considered buffer zones for the National Tampobata Reserve); protests against civil service reform which broke out in all five departments), and organized labor demands in the health sector that led to prolonged strikes (Amazonas and Loreto), and mining strikes in the department of Madre de Dios;
- The Program faced the effects of unauthorized campaign activities in advance of upcoming 2014 regional and municipal elections; and,
- High turnover rates among public officials in GGD member governments (at least 13 high-level authorities changed or left positions for various reasons including attrition, authorized leave to run for office, incarceration following corruption convictions or dismissal) was aggravated by the fact that an additional 87 public sector employees left their positions in the last two years.

All of these changes had a significant impact on Program implementation.

The above situations were exacerbated by high personnel turnover among national-level authorities. This stems from the constant changes within the President's Council of Ministers (PCM in Spanish). Over the course of FY2014, Peru had four individuals presiding over the Council of Ministers, i.e. Juan Jimenez was replaced by Cesar Villanueva on October 31, 2013, and Villanueva was replaced on February 25, 2014 by Rene Cornejo, who was in turn was replaced on July 22 by Ana Jara.

Despite these constraints, ProDecentralization has worked closely with USAID to produce results and move forward on implementing the disaster risk mitigation strategy and provide continuous follow up within the social and political context that unfolded.

This report documents progress to date on Program implementation and describes some of the positive changes produced within the prioritized services provided in five departments of Amazonia. Similarly, the report tracks progress toward PMP targets for Year Two.

This report also includes the annual report to track compliance with the Environmental Mitigation Plan, together with a special section on activities implemented within the electoral context. On a final note, the report also includes a success story to illustrate some of the more significant changes as a result of activities this year in support of integrated solid waste management with the Ucayali decentralized management group.

Looking forward, the Program will leverage the opportunities that present themselves and face the challenges coming up in Year Three (FY2015). The Program is prepared to work on the transfer of authority taking place in November and December 2014 following elections and will work with incoming officials to strengthen their capacity to better ensure compliance with duties. The Program will also consider expanding initiatives or including new territories under the coordination mechanisms that are already in place (decentralized management groups), while also strengthening institutional capacity within the GGD member governments (particularly in regard to administrative-executive functions and to oversight and control). Similarly, the Program will address continued improvements in prioritized public services and, lastly, ensure that the conditions are in place to work effectively during the period leading up to the presidential elections in 2016.

PROGRAM RESULTS (TASKS)

I. RESULT I: IMPROVE KEY POLICIES AND REFORMS

Over the course of Year Two, the Program has made significant contributions to improving the policy-regulatory framework for decentralization, as follows:

- Laying the foundation for decentralized management of education is the product of continuous technical assistance to the Office for Inter-governmental Coordination at the Ministry of Education to develop the Decentralized Management Matrix (MGD in Spanish) for the education sector. The process is the result of three items prioritized by the Ministry: managing teaching staff, managing materials and educational resources and managing the maintenance of educational infrastructure. The Inter-governmental Education Committee (CI in Spanish) approved the MGD in September¹.
- Drafting guidance and instruments at the national level that could potentially improve decentralized management by providing technical assistance to regulatory agencies, as follows:
 - ONDS to draft a bill on a national system to prevent and manage social conflict;
 - Ministry of Culture to draft guidance to implement a cultural diversity approach for public services in education, health and the environment;
 - SD-PCM to develop a methodology and organize a workshop on the national plan to strengthen competencies on decentralized management (*Plan Nacional de Fortalecimiento de Competencias para la Gestión Descentralizada 2014 -2018* -PNFCGD); and,
 - Congressional Commission on Decentralization, Regionalization, Local Governments and Modernization of Public Administration to draft and publish the Annual Report on the State of Decentralization.
- Documenting and distributing five experiences or positive management practices at the regional and local level based on the document entitled “From Practice to Policy: Guidance to Replicate Decentralized Management Experiences” to contribute to improvements in decentralized and national-level public policy:
 - Milestones in implementing the educational management model by the Regional Education Office (DRE) for the regional government of San Martín²
 - Experience of the Ucayali regional government to establish and strengthen scholastic eco-clubs³
 - Implement a mobile platform as part of the social action strategy with sustainability (PIAS) in the Napo River basin under the responsibility of the Ministry of Women and Vulnerable Populations (MIMP) (underway)⁴.
 - Experience using the mechanism known as “public works for taxes” in the Sachaca District Municipality for improvements to a public thoroughfare (Av. Fernandini, Arequipa – Law 29230 to promote regional and local public investment with private sector participation)⁵.
 - Establish a Decentralized Management Group (*Grupo de Gestión Descentralizada* -GGD) for Madre de Dios (MDD) comprised of the regional government, the provincial municipality of Tambopata and the district municipalities in Inambari, Laberinto and Las Piedras.

The Program plans to provide broader dissemination of these experiences through the virtual portal for Knowledge Management –an instrument developed by the Program to support PCM-SGP

¹ Minutes of the meeting of the Second Regular Session of the CI for the Education Sector on September 23, 2014.

² Email from the Regional Director for Education in San Martín to the ProDes COP (May 2014).

³ Document 835-2014-GRU-GGR-GRRNN and GMA dated September 17, 2014.

⁴ The preliminary version was submitted to the Vice Ministry for Vulnerable Populations in late July and MIMP provided an email with comments on October 2 for changes to the document.

⁵ Cervecerías Peruana Backus and Johnston S.A.A received a preliminary version of the document via email in July. At the time of this writing, the Program is awaiting their comments.

which will be available on line on the PCM website next quarter⁶. In the meantime, the experiences already recorded have been posted to the ProDecentralization webpage, as well as on the websites of the respective institutions.

- The Program promotes effective dialogue among three levels of government together with the population regarding progress on decentralization, and summarizes key issues by distributing the following:
- “Annual Report on the 2013 Decentralization Process,” and,
- Document entitled “Challenges facing Decentralized Administration” on the 2014 decentralization process.
- A user friendly version of the national modernization policy on public administration as it pertains to improved citizen services with a modified handbook teaching tool to improve citizen services (which will also be included in the new version of the handbook being prepared by PCM/SGP to facilitate implementation by entities at each level of government, especially at the sub-national level).
- Taking advantage of the current electoral context, the Program sought opportunities to strengthen information exchange and dialogue on policies and the state of decentralization, as well as to promote the inclusion of population groups traditionally excluded from local and regional representation. This is the result of a strategic partnership with the National Election Board (*Jurado Nacional de Elecciones - JNE*) to design activities with nationwide impact. The Program’s contributions are summarized as follows:
 - Drafting content regarding the structure of a unified and decentralized state –the competencies of regional governments, and participation to contribute during six of the 26 workshops for the course entitled “Tools to Develop Government Action Plans” organized by the JNE (Amazonas, metropolitan Lima area, Loreto, Madre de Dios, Loreto and Ucayali). A total of 222 representatives and individuals responsible for drafting government action plans for regional political entities preparing to participate in 2014 regional and municipal elections⁷ attended the workshops.
 - Drafting the document entitled “Human Development in a Unitarian and Decentralized State: the ABCs for Citizen Wellbeing” (prepared by the USAID Peru Decentralization Program – PRODES II 2nd Edition, 2011). The document comprised a section of the material used for the training course described above and was distributed online.
 - Drafting and publishing 3,000 copies of the document on the challenges of decentralized administration and distributed by JNE as handouts during the nationwide training courses.



⁶ The SGP committed to making the Knowledge Management platform operational by the beginning of ProDes Program Year 3, as expressed in document 721-2014-PCM/SGP, dated October 3, 2014.

⁷ Participants as follows: Amazonas: 32, Greater Metropolitan Lima: 32, Loreto: 30, Madre de Dios: 35, San Martín: 41 and Ucayali: 52

- Technical assistance for a radio spot on the “best of the best” for political organizations as part of the national campaign entitled “We are the Voice”⁸. The radio spot resulted in greater dissemination of the regulations on electoral quotas and advocated for political organizations to provide for greater participation by women, youth and indigenous representatives as candidates running for municipal or regional elections in 2014.

The Program provided assistance as well for the initiatives promoted by JNE to also include the participation of various Executive Branch organizations (MINAM, MIMP, CULTURA, CEPLAN, SGP-PCM, CAN, MCLCP, etc.), together with other agencies and programs from the international donor community (UNICEF, ProGovernance Program, IDEA International, among others).

Additional details on each of the activities are provided in a matrix in Annex 2.9 Progress on 2014 Year Two, Result 1.



⁸ Document 0404-014-DNEF/JNE, received on May 9, 2014.

2. RESULT 2: STRENGTHEN DECENTRALIZED SUBNATIONAL INSTITUTIONS IN TARGET REGIONS

Over the course of FY2014, the Program strengthened capacities among governments comprising the Decentralized Management Groups (GGDs in Spanish) in Amazonas, Loreto, Madre de Dios, San Martín and Ucayali. Results to date are classified according to the IRs under Result 2, as follows:

- i) Improvements in providing public services: monitoring growth and child development under the age of five (CRED), distribution of educational material and solid waste collection (IR 2.1.)
- ii) Strengthened institutional capacity for effective compliance with the duties assigned to all public entities in such a way as to promote improvements in prioritized public services (IR 2.1. y 2.2.)
- iii) Experiences regarding inter-agency cooperation for GGD prioritized services (IR 2.3)
- iv) Prevention, dialogue and management of social conflict and disaster risk management (IR 2.4.)

Each of the efforts was designed to produce impacts that would result in improved living conditions for the entire population.

- Results in improved delivery of prioritized public services based on a coordinated and decentralized management approach among GGD-member governments are as follows:

Amazonas, CRED Services:

- Baseline data on wait times for CRED users at the health center in Nieva resulting in two specific activities: reviewing and updating clinical files and restructuring the appointment system.
- Results from the second citizen satisfaction survey on CRED services provided by the health centers in Nieva and Kigkis (capital of the Nieva province) Galilea (Río Santiago district) and Huampami (El Cenepa district) led to changes in perception regarding user satisfaction, identifying problems and proposing specific solutions.
- Four CRED service oversight reports prepared by the oversight teams at the respective health centers (Huampami, Galilea, Kigkis and Nieva) submitted to public servants and responsible authorities from the Condorcanqui health network and from DIRESA in the Amazonas Regional Government prior to taking actions to improve services. The reports were well received.



Oversight team - Condorcanqui

Loreto, CRED Services:

- Institutionalize CRED service improvement plans at the health centers in Bellavista Nanay (Punchana district), *06 de Octubre* (Belen district) and Moronacocha (Iquitos) as approved by the DIRESA Quality Control Office at GOREL⁹.
- The goal to improve service delivery was to reduce wait times for CRED service users. Specific progress at the Bellavista Nanay health center in the district of Punchana, in the province of Maynas is as follows:

⁹ Improvement plans included under Ministerial Resolution 095- 2012 /MINSA (including technical guidelines).

- A 14% reduction in the total of duplicated clinical files (from 64,000 to 54,800) as a result of reviewing and updating records;
- Digitized 94.5% of the clinical files (51,800 clinical records out of a total of 64,000);
- Designing and posting medical appointments on a board to track wait times at each CRED clinic (in compliance with MINSA protocols);
 - Install and run appointment management software,
 - Distribute information and guidance designed for the parents or guardians of children to ensure that they arrive 30 minutes before their appointment.



The efforts resulted in shorter lines and less wait time.

- Three CRED oversight reports for the health centers in Bellavista Nanay (Punchana district), *06 de Octubre* (Belen district) and Moronacocha (Iquitos) were prepared in July and August. The findings summarized in the reports were shared with the managers in each health center for corrective action.

Madre de Dios, Integrated Solid Waste Management (collection):

- A mayoral decree to institutionalize improvements on delivering services for solid waste management and collection by including them in municipal work plans for the local governments in Inambari, Laberinto and Las Piedras¹⁰.
- Increased frequency for solid waste collection as a result of improved collection routes and well-maintained waste collection trucks:
 - Tambopata provincial municipality: in 2013 the average collection schedule was 2.33 times per week compared to 4.16 times per week over the same period in 2014.
 - In the Laberinto district municipality, the average went up from one scheduled collection per week in 2013 to 1.8 times a week in 2014.
 - In the Las Piedras district municipality, the average went up from 0.71 times per week in 2013 to once a week in 2014.
 - In the Inambari district municipality, the average in 2013 was one scheduled collection per week and it went up to 1.4 times per week in 2014.
- Improved citizen satisfaction regarding waste collection personnel (from satisfactory to excellent) in the municipalities of Tambopata, Laberinto and Inambari increased by 50 to 100 percent.¹¹ The only exception to this improvement was the district municipality in Las Piedras where user satisfaction decreased. This may be attributable to high personnel turnover and municipal decisions to abstain from collecting municipal taxes as of April 2014.
- Four citizen oversight reports on solid waste collection services in the districts of Laberinto, Las Piedras, Inambari and Tambopata (July and August 2014) were officially submitted to local government authorities).

¹⁰ for further information, see: Municipalidad Distrital de Laberinto. Resolución de Alcaldía N° 082-2014-MDL-MDD/A-SG. 31/07/2014. Municipalidad Distrital de Inambari. Resolución de Alcaldía N° 171-2014-MDI-ALC (22/07/2014). Municipalidad Distrital de Las Piedras. Resolución de Alcaldía N° 92-2014-MDLP-ALC-SG. 31/07/2014.

¹¹ From 2013 to 2014, improvements in user satisfaction with waste collection in Tambopata went from 32% to 72%; from 36% to 72% in Laberinto and from 54% to 78% in Inambari.

Ucayali, Integrated Solid Waste Management (collection):

- Institutionalized improvements on delivering services for solid waste management and collection by including them in municipal work plans for the local governments in Coronel Portillo, Yarinacocha, Campo Verde and Manantay¹²
- Increased weekly scheduled stops for solid waste collection, as follows:
 - Coronel Portillo provincial municipality: from an average of three times per week in 2013 up to 4.75 times per week in 2014.
 - Manantay district municipality: from an average of 1.3 times per week in 2013 to twice a week in 2014.
 - Yarinacocha district municipality: from an average of twice a week in 2013 to five times a week in 2014.
- Improved citizen satisfaction regarding waste collection personnel (from satisfactory to excellent) in the Coronel Portillo provincial municipality (from 45 to 88%) and in the district municipalities of Manantay (from 76 to 78%) and Yarinacocha (from 38 to 40%). The only exception was the Campo Verde district municipality where satisfaction dropped from 83% to 69% when the new routes plan could not be implemented (as prepared with ProDes assistance) as a result of conflicting priorities with other ongoing public works projects. Nevertheless, as soon as the projects are completed, the plan will be implemented.
- Five citizen oversight reports on solid waste collection services in the districts of Manantay, Campo Verde, Nueva Requena, Yarinacocha and the provincial district of Coronel Portillo/Callería (June and August 2014) were officially submitted to local authorities. As a result of the reports, officials proceeded to deploy vehicles to those areas lacking frequent service and ensured that the waste collection staff was appropriately equipped. Furthermore, authorities are carefully monitoring the process to ensure that waste is properly disposed of rather than burned as stipulated in the new service oversight records.



San Martín, Service to Distribute Educational Material:

- Reduced time to deliver educational material to the UGEL in Lamas from 81 days in 2013 to 61 days in 2014. The original target for 2014 was to reduce the period to 77 days. The Program provided technical assistance to meet and surpass this target as follows:
 - Supply requests: from three days in 2013 to one day in 2014.
 - Preparing materials and student registration records for the IIEEs: from three days in 2013 to one day in 2014.
 - Planning distribution of materials: went from five days in 2013 to three days in 2014.
 - Drafting the terms of reference to outsource material distribution: from ten days in 2013 to two days in 2014.



¹² Coronel Portillo Mayoral Resolution 167-2014-MPCP to approve its annual work plan; Yarinacocha Mayoral Resolution 024-2014-MDY to approve its 2014 annual work plan; Campo Verde Mayoral Resolution 146-2014-MDCV-ALC to approve the 2014 annual work plan, and Manantay authorities completed their 2014 work plan pending resolution approval in the near future..

- Implemented Program technical assistance activities as part of the reform and modernization framework for educational management promoted by the regional government with national support (SGP-PCM, MINEDU)
- Social oversight report on the educational material distribution process provided findings on the bottlenecks and gaps in regard to the system for each of the 39 schools that were monitored (March 2014). The report was submitted to the Lamas UGEL and to DRE.
- Results from the institutional capacity strengthening efforts to ensure compliance with each of the five duties required of any public entity to improve prioritized public services by applying a coordinated and decentralized management approach within GGD governments are attributable to Program activities as summarized below:
 - 100% of the GGD member governments participated in a second round of a diagnostic assessment on institutional capacity for the five key operational duties: planning, regulations, execution/management, promoting citizen participation and supervision/oversight. The second round produced findings on any variations (mostly improvements) in institutional capacity within the governments from 2013 to 2014.
 - 100% of the decentralized governments in the five GGDs produced improvements in their Institutional Capacity Index (ICI) in compliance with the five key duties (planning, regulations, execution/management, promoting citizen participation and supervision/oversight)¹³. After reviewing the average ICI results per government, the Program found a direct correlation between increased scores and ProDes technical assistance, as follows:
 - The most significant changes were in Inambari with a 41.49% change from 2013 to 2014 and in Punchana with a 24.47% change. The GGD governments in San Martín went from 21% to 27%. Coronel Portillo and Manantay were at 17.59% and 19.89%, respectively.
 - The smallest changes were found among the GGD governments in Amazonas: from 6.88% to 8.90%, Mazán (Loreto) was at 6.12% and the regional governments in Madre de Dios and Ucayali were at 4.80% and 6.31, respectively (the latter two governments were very limited on environmental education).
 - Improvements in the planning function among most of the GGD governments. Overall results are as follows:

Over 50% of the GGD member governments made improvements on their ICIs regarding strategic and operational planning using a results-based approach and adding activities to improve prioritized services. Highlights include:

 - 60% of decentralized governments (15 of the 25 that make up the GGDs) approved the guidelines to develop 2014 work plans using a results-based approach. Approval was officially conveyed by means of their respective resolutions or reports.

¹³ **Amazonas:** the regional government went from 2.56 to 2.75, the provincial government in Condorcanqui went from 2.11 to 2.29, the district municipality in El Cenepa went from 1.91 to 2.06 and the district municipality in Río Santiago went from 2.01 to 2.15.

Madre de Dios: the regional government went from 1.77 to 1.85, the provincial government in Tambopata went from 1.51 to 1.98, the district municipality in Inambari went from 1.24 to 1.75, the district municipality in Laberinto went from 1.41 to 1.66 and the district municipality in Las Piedras went from 1.29 to 1.50.

Loreto: the regional government went from 2.79 to 2.95, the provincial municipality in Maynas went from 2.30 to 2.45, the district municipality in Belén went from 2.06 to 2.20, the district municipality in Mazán went from 2.56 to 2.72 and the district municipality in Punchana went from 1.71 to 2.13.

San Martín: the regional government went from 1.73 to 2.10, the provincial municipality in Lamas went from 1.29 to 1.61, the district municipality in Cuñunbuque went from 1.29 to 1.64, the district municipality in Tabalosos went from 1.21 to 1.52 and the district municipality in Zapatero went from 1.24 to 1.55.

Ucayali: the regional government went from 2.20 to 2.34, the provincial municipality in Coronel Portillo went from 2.23 to 2.63, the district municipality in Nueva Requena went from 1.42 to 1.58, the district municipality in Campo Verde went from 1.60 to 1.78, the district municipality in Yarinacocha went from 2.10 to 2.30 and the district municipality in Manantay went from 1.70 to 2.03.

- 72% of decentralized governments approved their 2014 work plans having included a results-based approach (18 out of 25¹⁴ governments that comprise the 5 GGDs).
- 56% of decentralized governments included plans for specific improvements of prioritized services as part of their 2014 work plans (14 out of 25 governments that comprise the five GGDs).
- Improvements in complying with regulatory requirements (in accordance with ICI progress at the planning level):
 - 60% of decentralized governments approved guidelines to prepare the 2014 work plan using a results-based approach and published resolutions or reports to that effect (management, mayoral or executive).
 - 72% of decentralized governments issued resolutions to approve the 2014 work plan from a results-based approach.
 - 56% of decentralized governments included specific activities to improve prioritized services as part of their 2014 work plans.
 - The regional government in Amazonas approved the new DIRESA ROF¹⁵.
 - The four local governments in the Madre de Dios GGD approved city ordinances to broaden the tax base (campaign to update property assessments “*Campaña Actualizate Predial*”).
- Improvements in complying with administrative duties. The Program continues to strengthen this aspect among all five GGDs. The Program provided technical assistance to local governments to design a total of 13 public investment projects pertaining to prioritized public services, as follows:
 - Two projects to increase service capacity at the centers to promote and monitor comprehensive maternal and infant care (CPVCs) with the local governments in Condorcanqui and Río Santiago.
 - Ten water and sanitation projects submitted to FONIE; four from the regional government in Amazonas, three from the provincial municipality in Condorcanqui and three from the district municipality in El Cenepa.
 - One project description on establishing community centers to promote and monitor maternal and infant care in six settlements in the Punchana district, Maynas, Loreto.
- The Program provided technical assistance to five local governments that prioritized solid waste collection in meeting one of the targets under the Municipal Incentives Plan for Improved Management and Modernization:
 - The provincial municipality in Tambopata (Madre de Dios) significantly surpassed the target set for collecting property taxes (a 14% increase) by increasing collection by 30%. The district municipality in Yarinacocha (Coronel Portillo / Ucayali) met the target for collecting property taxes as of July 31, 2014¹⁶. The Program provided technical assistance to produce an evaluation to classify solid waste (Target 10).
 - The provincial municipality in Coronel Portillo and the district governments in Yarinacocha and Manantay met the implementation target they set for classifying solid wastes at the source¹⁷.

In November, MEF plans to determine the total amount of each incentive for allocation to the respective local governments (based on having met or surpassed their targets).

¹⁴The governments that failed to achieve expected results are the regional governments in Ucayali and Madre de Dios, the provincial municipality in Tambopata and the district municipalities in Mazán (Maynas – Loreto) and El Cenepa (Condorcanqui – Amazonas).

¹⁵Regional Ordinance 349-Amazonas Regional Government /CR, published in *El Peruano* on June 21, 2014.

¹⁶As indicated in Directorate Resolution 020-2014-EF/50.0 dated September 29.

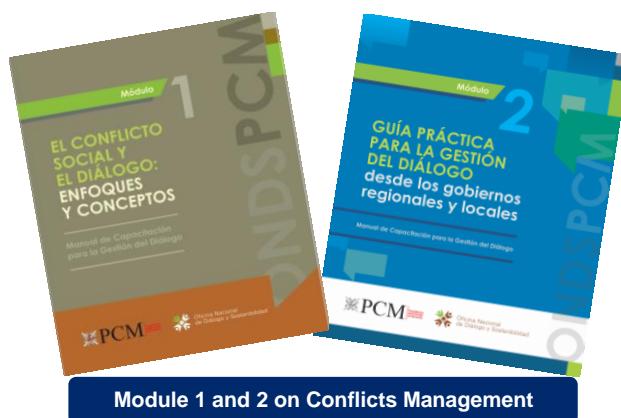
¹⁷*ibid*

- Five decentralized governments applied measures to mitigate the environmental impact from the final disposal of solid waste, as follows:
 - The Program provided technical assistance to the municipalities of Tambopata and Inambari in Madre de Dios and Coronel Portillo and Nueva Requena in Ucayali regarding a number of measures for compacting, sealing and optimizing solid waste in landfills, including an access gate in Inambari.
 - The Program provided technical assistance to the municipalities in Inambari, Laberinto and Las Piedras to select the site for final waste disposal in compliance with regulations issued by the Ministry of the Environment. The selected site must not pollute watersheds and must be located at a distance of at least 1,000 meters from human settlements.
- The Program provided assistance to strengthen the capacities of public servants in the regional and local governments in the five departments of Amazonas, as described below:
 - The Program joined efforts with OSCE as the regulatory entity to train 759 individuals in public contracting, with special emphasis on contracts, terms of reference, evaluation and public procurement of goods and services.
 - The Program joined efforts with MEF as the regulatory entity to train 56 individuals on coordinated management of public investment in health and education.
- Although most of the governments that comprise the GGDs, made some improvements pertaining to supervision and control as reported on the Institutional Capacity Index (ICI), they fell short of basic compliance with the ICI, but there is progress to report as follows:
 - Services: the Loreto Regional Health Department institutionalized processes to follow up and monitor plans to improve CRED services. The improvement plan for the health center in Bellavista Nanay is currently being evaluated.
 - 100% of the governments that comprise the five GGDs launched the process to transfer the methodology for applying the institutional capacity diagnostic (understanding and applying the tool, obtaining the ICI score, analyzing the results and producing proposals for improvement under a short-term planning instrument). As a result of the experience, the Program confirmed that each of the regional governments and some of the local provincial governments are very likely to take ownership of this control and monitoring tool, e.g. Coronel Portillo.
- The Program notes that improvements in complying with duties to promote citizen participation are remarkable in most of the GGD member governments. Progress is as follows:
 - Public servants in the GGD member governments have made progress in comprehending the need to promote citizen participation and oversight for the prioritized services. Evidence of their awareness is that they have completed the oversight records for the three prioritized services.
 - Citizen oversight is conceived as a mechanism for cooperation and coordination: i) authorities and public servants join efforts with citizen oversight teams and agree on the means to oversee the service and on the necessary tools; ii) oversight teams report their findings; iii) reports are distributed to government officials, and iv) public entities adjust their activities based on the findings.
 - All five GGDs established oversight teams (28) in agreement with the governments and the teams drafted a total of 17 reports (further details are available under the section on Result 3).



- The following section summarizes the most significant results from Program technical assistance to improve inter-agency coordination on GGD prioritized services:
 - Amazonas strengthened capacity to coordinate efforts among the regional governments together with the provincial municipality in Condorcanqui and the district municipalities in Río Santiago and El Cenepa. The parties expressed their political will and have begun to implement joint actions as follows:
 - Coordinated efforts to propose water and sanitation projects for submission to FONIE and other projects on services directly linked to the fight against infant malnutrition.
 - GGD member governments in Amazonas allocated resources to address chronic infant malnutrition and improve services. The three local municipalities used resources from the Incentives Plan to implement coordinated activities with the health center to improve maternal/infant care. The Amazonas regional government has been implementing actions and applying strategies to reduce chronic infant malnutrition and anemia in Condorcanqui, as evidenced by the Performance Stimulation Fund's (FED) participation and commitment.
 - Organizing the first forum on infant development for 290 participants joined by national and international experts in Condorcanqui.
 - The GGD member governments in Loreto conveyed their intention to coordinate efforts in the fight against infant malnutrition by:
 - Allocating resources: local governments included activities in their respective work plans in support of the local health centers to improve CRED services;
 - GOREL expressing political will to allocate resources to fund public works that address the problem of malnutrition; and,
 - GOREL / DIRESA assuming a leadership role to organize and chair GGD meetings.
 - The establishment of the Regional Environmental Authority in Madre de Dios provided an excellent opportunity to begin working in concert. Unfortunately, high personnel turnover in upper management levels, the electoral context and conflicting priorities hampered progress on inter-agency coordination. The Program expects that working with the regional government on environmental awareness activities will yield another opportunity to coordinate efforts around integrated solid waste management.
 - In San Martín the GGD member governments reached a level of basic competence to channel and facilitate processes to improve public administration, particularly in improving education services. The Program finds continuous institutional will to coordinate efforts around prioritized education services led by the provincial municipality in Lamas together with the Lamas UGEL. The Lamas provincial municipal government is organizing and chairing the meetings.
 - In Ucayali the GGD member governments are using the opportunity as a mechanism to find practical solutions regarding integrated solid waste management, e.g.:
 - In January 2013, each of the GGD member governments in Ucayali expected to have their own individual landfills or registered dumpsites. Following Program assistance (internships, technical assistance, training), the governments decided that separate facilities were unnecessary. In lieu, the district and provincial governments joined efforts to establish a registered dumpsite for the short term and to plan for a landfill in the longer term. As a result of their concerted efforts, the provincial municipality in Coronel Portillo has provided a registered dumpsite and at the time of this writing, the landfill site improvement is 95% complete.
 - The member governments assumed responsibility for organizing and chairing the meetings for this coordination mechanism. The rainy season damaged the dumpsite and the provincial municipality in Coronel Portillo called for GGD member governments to join efforts in response to the emergency.

- The Program highlights the following results from technical assistance to promote dialogue, prevent and manage social conflicts and from disaster risk management using a decentralized and coordinated approach:
 - The Program provided continuous technical assistance to strengthen the regulatory position of the PCM National Office on Dialogue and Sustainability regarding dialogue, prevention and management of social conflict.
 - The above-mentioned Program assistance resulted in draft legislation to establish a national system to prevent and manage social conflict as reported earlier under Result 1.
 - Program assistance also included activities to produce, validate and publish material for a training manual on dialogue management designed for public servants in decentralized governments, as follows:
 - Module 1: social conflict and dialogue: approaches and concepts (the module was validated in the department of San Martin), and
 - Module 2: practical guidance on dialogue management for regional and local governments (the module was validated in the department of Arequipa).
 - The Program organized a train the trainers' activity to strengthen capacities among 13 public servants as dialogue facilitators.
 - The Program provided assistance to draft a national training plan on dialogue management for 25 public servants from decentralized governments. The process was validated in Arequipa.
 - The Program developed methodological guidance to replicate the national training plan process in the departments of Amazonas (ongoing).
 - The Program worked with regional governments in Amazonas to establish and sustain offices, equipment and units to promote dialogue and prevent social conflict:
 - In Loreto, the team prepared a technical proposal to establish the regional office on dialogue management and conflict prevention for the regional government.
 - The efforts of the technical team on dialogue and sustainability in the regional government in San Martin were awarded special recognition by SERVIR as a best practice in public administration.
- The Program provided continuous technical assistance in close coordination with CENEPRED (National Center on Disaster Risk Assessment, Prevention and Reduction) to strengthen its regulatory authority on disaster risk management at the decentralized level. Progress is as follows:
 - Three guidance documents for decentralized governments to include disaster risk management in their planning and management instruments:
 - Steps to include disaster risk management as part of the regulations, job descriptions and distribution of responsibilities in sub-national governments.
 - Steps to include disaster risk management in comprehensive development plans for sub-national governments.
 - Teaching Guide 1 on rules and technical instruments for disaster risk management in Peru.
 - Include disaster risk analysis as part of a public investment proposal for the municipality of Punchana in Loreto to establish community oversight centers for maternal/infant services in six settlements in Punchana (Maynas).
 - Strengthen the capacities of 179 public servants from regional and local governments in the five departments of Amazonia on disaster risk management (process started in 2013).



3. RESULT 3: ENHANCE TRANSPARENCY MECHANISMS AND CITIZEN PARTICIPATION

Over the course of Year 2, ProDecentralization has made significant progress in improving transparency and citizen participation mechanisms while contributing to the policy framework for open government and to the national policy to modernize and decentralize public administration.

Progress on the National Level:

- The Program laid the groundwork to strengthen the Comptroller General's (*Contraloría General de la República* –CGR) regulatory authority on transparency and accountability. The Program provided continuous technical assistance, as follows:
 - Draft guidelines and oversee the implementation of an online accountability system. The proposal focuses on results-based management processes where authorities are responsible for reporting policy or management changes that may be relevant to the general public, e.g., health, education, solid waste management, water and sanitation. In addition, the system leverages the use of information requested by other systems or data bases, avoids duplications of requests for information and provides opportunities to analyze the results of public administration comparing projected and disbursed budget expenditures.
 - Modify handbooks on the asset disclosure system to monitor the income and assets of public servants. Once Law 30161 on the subject was enacted in January 2014, the CGR asked the Program to temporarily suspend training and publication on the handbook until the Presidential Council of Ministers approved the new regulations.
 - Draft instructions on transferring authority during changes of administration in regional and local governments ("*Transferencia de gestión administrativa de los gobiernos regionales y locales*"). Joining efforts with the ProGovernance Project funded by Canada, the Program worked with CGR to draft instructions to implement Law 30204 (enacted in June 2014) to regulate the process to transfer authority and provide accountability as required by incoming officials or re-elected incumbents. The reports are to be prepared for distribution to the regional or municipal councils and the general public. The draft instructions were validated by the CGR Department on Corruption Prevention and is a positive step in CGR's fulfilling its role to coordinate operations during transfers of authority within the eleven systems regulated under Law 29158, on charter legislation for the Executive Branch. As a result of the efforts, authorities will be transferred in a more predictable and orderly fashion and may avoid duplication in requests for information by consolidated everything under a single set of instructions. The Program received official notification from CGR expressing appreciation and acceptance of the results¹⁸. During the closing time of this report, the CGR approved the mentioned document.
- Lay the groundwork to strengthen the PCM/SGP's regulatory duties on transparency, access to public information and citizen participation. The Program provided continuous technical assistance as follows:

¹⁸ Email dated October 9 from Fernando Ortega, Department of Corruption Prevention, CGR.

- Led a participatory process to develop the 2014-2016 Open Government Action Plan including contributions from decentralized governments (San Martín) and Lima¹⁹.
- Applied strategies to promote decentralized citizen participation by using information technology and focus groups (in San Martín) to identify the most appropriate digital techniques for that purpose.
- Completed production (content, teaching guidance, layout and publication) of a proposal to implement three capacity strengthening programs on open government as designed for i) regional and local governments, ii) CSOs and iii) citizen oversight groups. The material was approved by the Permanent Multi-sectorial Commission to provide follow up on implementing the country's Open Government Action Plan. The Commission is made up of representatives from public institutions, civil society and the private sector. PCM/SGP published the document for distribution among regional and local governments.



Strengthening capacity programs of Open government publication

- Strengthen capacity on topics pertaining to transparency and access to public information among 92 public servants from the Regional Education Department for Metropolitan Lima (DRE-LM) and from seven Local Educational Management Units (*Unidades de Gestión Educativa Local* -UGELs) in the greater Lima area. At the request of the Office on Public Ethics and Transparency at the Ministry of Education (MINEDU/OET), the Program organized a training activity using six sessions of four hours each in August and September 2014. Upon completion, the Program seized the opportunity to follow up with technical assistance to draft guidance on responding to requests for public information and to update the transparency portal. Although the guidance was specific to DRE-LM and the seven UGELs within the Ministry of Education, the Program plans to replicate it among DREs nationwide.

Progress at the sub-national level:

The Program has continued to work in collaboration with the regional and local governments that comprise the five GGDs to provide technical assistance and training for public servants to respond to requests for public information and on updating information posted on transparency portals. Results are as follows:

- Strengthened capacities among 296 public officials that received training regarding transparency and access to public information, accountability and mechanisms for citizen participation. The Program joined efforts with decentralized entities such as ConectaMEF (Loreto and Ucayali) that had previous experience in training activities for the MEF Economic Transparency Portal.



Transparency Portal in Zapatero – San Martín

- Frequent updates to standard transparency portals (PTEs in Spanish) by regional governments and to transparency murals as implemented by local governments, as follows:
 - As a result of Program technical assistance, four regional governments (Amazonas, Loreto, Madre de Dios and Ucayali) and two provincial local governments (Maynas and Coronel Portillo) updated their PTEs in a timely fashion. Regional governments in Amazonas have improved as described in the PTE supervision reports issued by PCM20/SGP to date.

¹⁹ High personnel turnover in PCM and SGP has not been conducive to timely approval and implementation processes as apparent in the fact that the 2014-2016 Open Government Action Plan has yet to be approved, despite the fact that international commitments stipulated approval no later than June 2014.

- Three local provincial governments (Maynas, Lamas and Coronel Portillo) and eight district local governments (Belén, Tabalosos, Zapatero, Cuñumbuqui, Laberinto, Inambari, Nueva Requena and Manantay) established transparency murals. The murals are designed as an alternative or as a complement in some cases to the PTEs to compensate for an unstable or poor internet connection; lack of access to the internet by the general population or limited resources among local governments to invest in hardware. The murals provided an opportunity to post information on public administration, including infrastructure investment, the mayor's agenda, and compensation levels for public officials and municipal activities.
- In order to reinforce the effort in San Martín, the Program organized an experience exchange activity on the transparency murals and included public officials from the GGD municipalities that have responsibility for disclosing information together with representatives from the Office of the Peoples' Ombudsman. The group had opportunities to visit each municipality and provide recommendations for immediate improvements. The Program will replicate the exchange among the remaining GGDs. Despite the difficulties in Congress in appointing a Peoples Ombudsman and the fact that the position has yet to be filled, leading to obstacles in coordinating efforts at the national level, the Program is working to decentralize the role to strengthen transparency in public administration and accountability.
- The Program worked to tailor the capacity strengthening program on open government to the needs of indigenous populations, particularly the sections on leadership and political advocacy. The purpose is to ensure that indigenous leaders, primarily in the province of Condorcanqui, will have an opportunity to increase their skills and knowledge base.
The Program validated the process in Condorcanqui in May 2014. The impact of the process was immediately apparent when indigenous female leaders quickly planned political advocacy efforts before the Educational Institute 16296 and the provincial UGEL to monitor classroom instruction and address the lack of teachers (unauthorized absence). As a result of their quick advocacy efforts, authorities took corrective action regarding the four absent teachers.
- The Program is working on decentralized public administration by ensuring compliance with responsibilities to promote citizen participation, oversight and control and to include civil society to monitor the public services prioritized by the GGDs. The efforts bore fruit this year with improved results in the monitored services (CRED, solid waste collection, public sanitation, distributing educational materials) and said results have been reported to the respective authorities, including recommendations for continued improvements. The results are listed below:
 - The Program strengthened capacity for citizen oversight by training 200 individuals that are interested in participating in efforts to monitor the delivery of public services.
 - The Program provided assistance to establish 28 teams for citizen oversight (four in Amazonas, three in Loreto, five in Ucayali, one in San Martín and 15 in Madre de Dios). The citizen oversight teams plan to continue their activities throughout the upcoming year.
 - The Program coordinated efforts between authorities and citizens regarding the content and preparation of three tools for citizen oversight (one per service). The tools, known as "oversight records" track all the information that decentralized public administration considered relevant to improve the services (CRED, public sanitation or educational material distribution) in compliance with the protocols and regulations in effect.
 - Conduct citizen oversight of services provided by the governments that comprise the five GGDs by making use of the oversight records for each.
 - Prepare 17 reports on the results of overseeing services (one in San Martín on distributing educational materials, five in Ucayali and four in Madre de Dios on solid waste collection, four in Amazonas and three in Loreto on CRED services).
 - As a result of strengthened communication skills among the citizen oversight teams, the members of the teams presented their findings and recommendations to regional and local authorities. They effectively communicated and advocated for their proposals.

- Furthermore, the teams presented their findings to the authorities responsible for providing each of the services, as follows:
 - o CRED services in Amazonas and Loreto: i) high percentage (more than 90%) of boys and girls lack complete sets of vaccinations and CRED records and ii) high percentage (over 84%) of boys and girls lack complete hemoglobin counts, except for in Moronacocha, where only 47% of children lack their hemoglobin counts. Authorities at the health center in Loreto expressed their commitment to use the oversight results to plan their outpatient services and meet the targets regarding CRED checks and vaccinations.
 - o Solid waste collection in both Madre de Dios and Ucayali: i) the sanitation truck is running more than twice a week in the provincial capital cities and is running daily in Calleria (Coronel Portillo province, Ucayali), ii) the sanitation truck is running an average of once a week in the districts, but no data is available to confirm collection frequency in Mavila (Tambopata), iii) staff is usually in uniform, using appropriate gear such as masks and gloves iv) residents are cognizant of the schedule and can readily identify the sanitation vehicle although there are no arrangements in place if the truck misses a day, and v) residents are not always putting their waste out for collection as scheduled.
 - o Educational material distribution in San Martín: i) educational material is being delivered to schools (IE in Spanish) based on student registration from the prior year (occasionally resulting in shortfalls or surpluses for the current year) ii) some student principals reported never having received their material, iii) some schools received only partial shipments of their material, iv) fearing shortfalls in the educational material they will receive the following year, some principals are stockpiling whatever surplus they receive in hopes of making up for any shortages, and v) total lack of appropriate storage space at the IEs –risk damaging the materials.
- The citizen oversight teams are coordinating closely with the Program to track follow up on implementing the recommendations from their reports. To date, the Loreto GGD has expressed interest in comparing the findings in the report with the targets and indicators from the DIRESA CRED report for Loreto.

Overall, the Program is pleased to report that the results achieved by the citizen oversight teams reflect a participatory process that is being validated on a continuous basis to permanently ensure improvements to the quality of services delivered in a way that is collaborative and coordinated with public administration. Furthermore, the experience is a specific example of collaboration as promoted by the open government approach.

4. CROSS-CUTTING THEMES: SOCIAL INCLUSION, GENDER AND INTER-CULTURALISM

All Program activities encompass a social, gender and intercultural approach. Results from Year Two are summarized below:

- **Gender**

- The Program contracted a diagnostic assessment as to possibilities for decentralized governments to access public funding for activities to address sexual and domestic violence, teen pregnancy and other pressing issues. MIMP officials reviewed the assessment and received the approval of the Ministry of Women²⁰ to use the tool for decision-making regarding the services provides that reflect conditions of gender inequality (particularly in regard to violence against women and teen pregnancy).
- The Program promoted the political participation of women during 2014 regional and municipal elections by developing activities in coordination with JNE (further described under Result 1). Furthermore, the Program strengthened the capacities of 19 female candidates (particularly indigenous women) representing a number of political parties in the province of Condorcanqui (Amazonas). To that end, the Program joined efforts with several stakeholders, including the Coordinated Task Force in the Fight Against Poverty (*Mesa de Concertación para la Lucha contra la Pobreza* -MCLCP), UNICEF, JNE, MIMP and the Condorcanqui Health Network so that candidates would sign a letter of commitment stating that, if elected, they would promote improvements to services that address infant chronic malnutrition and to promote the increased participation of indigenous women in public life.
- The Program developed communication tools to improve services that affect chronic infant malnutrition (CRED services) by conveying messages and images about the importance of shared responsibilities to increase the participation of fathers in monitoring their children's growth and development.
- In addition, the Program launched activities this quarter as part of the 2014-2016 contract expansion in coordination with MIMP and MIDIS:
 - Conduct a quick diagnostic on gender issues in social programs (*Juntos* and *Qaliwarma*) that may contribute to the fight against chronic infant malnutrition in Condorcanqui. Draft proposed guidelines as a practical and operational tool to mainstream gender considerations in MIDIS social programs to reduce chronic infant malnutrition, primarily to guide the daily activities of personnel working in communities.
 - Conduct a quick diagnostic on current communication tools and strategies used by public officials to inform citizens of social programs and update the modified communication plan for Amazonas".
- Strengthen capacity among the consultant team responsible for implementing the local education model within GORESAM to include gender considerations.



Workshop: "The Importance of Women Political Participation in Condorcanqui"

²⁰ Document 180-2014-MIMP/DVMM.

- **Inter-culturalism**

- The Program has worked with the State of Peru on initiatives to include an inter-cultural approach in decentralized management. Technical assistance to the office of the Vice Minister for Inter-Culturalism includes: i) guidance to implement an inter-cultural approach for prioritized public services in the areas of education, health and environment, and ii) a standardized research plan on the status of inter-culturalism and respect for the rights of indigenous peoples in departments. Both documents are currently being evaluated by ministry authorities prior to approval and publication as a ministerial resolution.

- **Social Inclusión**

The Program has supported the strengthening of public policies that promote social inclusion as described below:

- Under Program technical assistance to MIMP, recorded and documented the experience to implement the mobile service platform (PIAS in Spanish) as a mechanism for multi-sector and inter-agency cooperation toward a comprehensive approach in selected areas of Amazonia.
- Delivered a presentation for participants at the Forum on Early Childhood (June, in Santa Maria de Nieva, Condorcanqui – Amazonas) regarding coordinated efforts led by GGD to improve CRED services in the fight against chronic infant malnutrition. The Forum provided an excellent opportunity to obtain commitments from actors across all three levels of government and improve the welfare of children in Condorcanqui.

5. STRATEGIC ALLIANCES

Over the course of Year Two, ProDecentralization has strengthened the ties with regulatory agencies, coordinated activities with other USAID projects, joined efforts with the other donors, political parties, sub-national government associations and private sector organizations who acknowledge the Program as a strategic ally to improve decentralized management in the delivery of public services, primarily in Amazonas (annex 2.3 present public and private funds leveraged by Program). The most significant alliances to report are listed below according to each Result:

Result 1: IMPROVE KEY POLICIES AND REFORMS

As a result of coordinating efforts as described below, the Program has made significant progress:

- The Program has provided assistance to the Presidency of the Council of Ministers through the Secretariats for Decentralization and Public Administration, the National Office on Dialogue and Sustainability and the National Center for Disaster Risk Assessment, Prevention and Reduction to make progress on increasing the decentralized management of national public policy.
- The Program has worked with the Ministries of Education (MINEDU), the Ministry for Women and Vulnerable Populations (MIMP) and the Ministry of Culture to lay the groundwork for improved decentralized management by developing instruments and recording positive experiences from the decentralization processes.
- The Program has worked with the National Election Board as the regulatory authority to optimize opportunities for dialogue, report on the decentralization processes and promote political participation by vulnerable groups in the upcoming 2014 regional and municipal elections. The Program worked to engage other Executive Branch agencies such as MINAM, MIMP, CULTURA, CEPLAN, the Secretariat for Public Administration, the High-Level Anti-corruption Commission (CAN in Spanish), MCLCP, together with other agencies and programs from the international donor community including UNICEF, the ProGovernance Program, IDEA International, among others, to promote JNE activities.
- The Program joined efforts with IDEA International to inform representatives from the broader-based political parties (such as *Alianza por el Gran Cambio* and *Fuerza Popular*) regarding recent progress and challenges facing the decentralization process.
- The Program continued to forge or strengthen strategic alliances this quarter, including those with: ProInversión; the private sector (*Cervecería Peruana Backus* and *Johnston S.A.A.*), associations of sub-national governments (ANGR, REMURPE), other donor organizations (GIZ) and decentralized governments in Amazonas.

Result 2: STRENGTHEN DECENTRALIZED SUBNATIONAL INSTITUTIONS IN TARGET REGIONS:

The Program forged or strengthened the following alliances:

- The Program's efforts to address **health** issues called for concerted attention, primarily in coordination with the Ministry of Development and Social Inclusion (MIDIS) through the Fund for Economic Inclusion in Rural Zones (FONIE in Spanish) and with the Fund for Performance Promotion and Social Results (FED in Spanish) to join in the battle against chronic infant malnutrition. The approach uses a multi-faceted approach in the departments of Amazonas and Loreto. Given the characteristics of the GGD in Amazonas, the Program also engaged the Ministry of Health (MINSA), the Ministry of Housing, Construction and Sanitation (MVCs), the Ministry of Economy and Finance (MEF) and the Ministry of Women and Vulnerable Populations (MIMP). Furthermore, the Program coordinated efforts with the National Congress, the Hemispheric Network of Current and Former Members of Parliament, UNICEF; the Roundtable Group on the Fight Against Poverty (MCLCP in Spanish); Caritas Peru; the Americas Fund (FONDAM in Spanish), PRISMA Association and other public and private organizations that are committed to the fight against chronic infant malnutrition. In working with

the GGD in Loreto, the Program also coordinated efforts with the technical team from the USAID Project on Public Finances in Latin America to identify issues and opportunities to join efforts.

- In making progress on **education**, the Program has worked closely with the Ministry of Education's Office to Support Education Administration (OAAE in Spanish) and the Regional Coordinator. The Program also coordinated efforts with the PCM Secretariat for Public Administration and the Regional Department of Education for the Regional Government of San Martín to promote the process for organizational restructuring and to implement a management model for regional education.
- In regard to results on **environmental** issues, the Program joined efforts with the Ministry of the Environment and *ProInversión* to promote progress by the GGD member governments in Madre de Dios and Ucayali toward the environmental management targets under the Incentives Plan. In Ucayali, the Program established an alliance with a private company (*Petramás S.A.*) to strengthen capacities among the GGD decentralized governments in seeking a joint solution to the problem of final disposal of solid waste. In Madre de Dios, the Program has worked in partnership with UNDP and MEF to move forward with the regional government's initiatives to lead environmental efforts in support of the GGD member governments.
- In an effort to engage and commit future regional authorities to ensure sustainability of improved priority services, the Program also worked closely with MCLCP to draft and sign Governance Agreements (AG in Spanish) for the 2015-2018 period. To that end, the Program provided assistance to prepare the documents, organize meetings to review and discuss the preliminary concepts to ensure institutional commitments on environmental, health and education issues, and to also organize events to sign the AGs in the departments of Amazonas, Madre de Dios, San Martín and Ucayali.
- In regard to capacity strengthening, the Program highlights coordinated efforts with MEF, UNICEF and Prisma, as part of a strategic partnership with the regulatory authority on State procurement (*Organismo Supervisor de Contrataciones con el Estado –OSCE* in Spanish). The partnerships are conducive to improved management of public investment among the decentralized governments that comprise the five GGDs.
- In regard to promoting dialogue and disaster risk management, the Program coordinated efforts with the National Office on Dialogue and Sustainability (*Oficina Nacional de Diálogo y Sostenibilidad –ONDS/PCM*), the National Center for Evaluation, Prevention and Disaster Risk Reduction (*Centro Nacional de Estimación Prevención y Reducción de Riesgo de Desastres –CENEPRED* in Spanish) and MEF.

Result 3: ENHANCE TRANSPARENCY MECHANISMS AND CITIZEN PARTICIPATION:

The Program forged strategic alliances to make progress under this Result as summarized below:

- The Program joined forces with the Multi-Sectorial Commission on Open Government responsible for follow-up implementation of the Action Plan in coordination with PCM/SGP, CGR, and the Peoples' Ombudsman joined by representatives from civil society. As a result of the efforts, decentralized governments, citizen oversight groups and CSOs have participated in capacity strengthening activities.
- The Program joined efforts with the ProGovernance Project in also working with CGR to redesign the national accountability system and draft instructions for the orderly transfer of authority within regional and local governments.
- The Program has coordinated efforts with regulatory authorities such as MINEDU's Office on Public Ethics and Transparency, MEF and the donor community, e.g. GIZ.
- In working to mainstream gender issues, social inclusion and inter-culturalism, the Program established strategic partnerships with MIMP, MIDIS, the Ministry of Culture and UN Women.

Furthermore, in beginning to prepare for Year Three, the Program worked closely with CEPLAN and SERVIR to coordinate activities and planning while leveraging opportunities to join efforts.

6. COMMUNICATIONS

• Communications Strategy

The Program's communication activities this period focused primarily on supporting activities to improve national policy, as well as those to strengthen institutional capacity and improve GGD prioritized services as described in the respective communication plans²¹. At the time of this writing, the plans have been about 89% implemented as illustrated by the progress reported below:

- Promote public debate on progress, constraints and pending items for the decentralization process by coordinating with media outlets to publish articles in national press such as "E/ Peruano," "Andina" and "La República," as well as in local media in Chachapoyas ("El Clarín" daily and www.elclarin.pe). All of the articles were published as a result of dissemination of the 2013 Annual Report on the Balance of Decentralization or the summarized version entitled Challenges to Decentralized Management (*Retos de la gestión descentralizada*).
- The Program completed the design proposal for the knowledge management platform website as approved by PCM/SGP. In the short term, the Secretariat plans to upload the webpage to the PCM website and is currently undertaking efforts to do so.
- The Program provided assistance to develop communication material to implement national policies at the decentralized level. The material is based on specific teaching concepts tailored to the needs of regional and local government officials. This is already in place on the subjects of open government policies, disaster risk management, conflict prevention and dialogue promotion, improved citizen services and the reduction of chronic infant malnutrition (CRED service).
- The Program organized activities for 38 community agents and 125 public officials responsible for prioritized services and/or communications to strengthen their capacity for communications and/or spokesperson abilities. In Amazonas / Condorcanqui, public officials designed and disseminated radio spots on improved CRED services. In San Martín, officials included guidance on the national campaign for a good start to the school year as part of the communication material prepared by GORESAM DRE.
- The Program provided technical assistance to develop and disseminate sixteen different items to create awareness and promote the commitment for improved services (banners, posters, radio spots, flyers, bulletin boards, information panels, note cards and brochures). The material is being distributed throughout the territories of all five GGDs. All of the material includes gender and inter-cultural considerations and prior to being distributed, the material was reviewed by the authorities responsible for each service and/or communication personnel from each local or regional government.
- The Program designed activities to develop communication skills and spokesperson abilities among the 28 citizen oversight groups with the participation of 177 persons from all five departments.
- On a final note, it is worth mentioning that the Program produced an institutional brochure on ProDecentralization activities, launched the Program website (<http://prodescentralizacion.org.pe/>), published 173 editions to date of the Decentralization newsletter and published photographs of training activities and examples of improved services. These efforts seek to increase coordination among Program team members to promote decentralized public management.

²¹ See annex on the communication plans compliance matrix (October 2013 through September 2014).

7. MONITORING AND EVALUATION

• Performance Monitoring Plan - PMP

Monitoring Program activities is conducted in accordance with the M&E Plan and PMP indicators. To that end, the Program tracks and monitors progress at the national level, as well as in each of the selected departments.

Indicators and Targets:

Out of the 30 indicators in the revised PMP, 26 set targets for Year Two. Of these, the Program met or exceeded the targets for 25 indicators. The Program reached 60% of the target set for Indicator 4 by documenting three fifths of best practices on decentralized management. Despite falling short of the target, the Program has completed about 70% of the activities to record the additional two best practices and plans to complete and meet the target in the first quarter of FY2015. Matrix 2.1 annexed to this report provides additional details under the **Program Indicator Annual Report FY 2014**.

At the time of this writing, the Program also completed the following:

- **Plan Modified PMP M&E Plan** as approved by USAID on August 29, 2014 under Contract Amendment 4.
- **Information gathering tools** designed to collect indicator data.
- **Monitoring matrix** to provide information on each indicator, progress report and compliance with targets for each.

The Program used the following input to monitor progress toward results:

- **Resultados Results from the second round of the diagnostic assessment on institutional capacity (FOCAS in Spanish)** for GGD member governments to assess institutional performance using the Institutional Capacity Index (comparing scores from 2013 and 2014).
- **Implement Service Improvement Plans** for services prioritized by the GGD member governments (QSIP).
- **User perception surveys** regarding GGD prioritized services and improved delivery.
- Program technical staff organized **field visits to monitor progress**.
- **Evidence** (means of verification) both hard copies, as well as electronic versions that support the results obtained under each of the PMP indicators.

• FY 2 - 2014 Deliverables

The program fully met or exceeded its ambitious Year 2 deliverables schedule. The Year 2 deliverable schedule included 18 deliverables, which averaged to approximately *one deliverable every 20 business days*. The project met this demanding schedule by submitting eight of the deliverables prior to the due date and ten of the deliverables on the target date. None of the deliverables were submitted late.

A notably high level of quality, requiring few or minimal modifications characterized the deliverables submitted for acceptance by USAID. Relevant deliverables were publicly disseminated to key counterparts and beneficiaries who publicly complimented their relevance and quality.

The deliverables, submission date and USAID approval date are summarized as an annex to this report under Matrix 2.4.



Indicators PMP files - evidences

ANNEXES

I. SUCCESS STORY:

1. Setting goals for Solid Waste Management in Pucallpa-Coronel Portillo

THIS EXPERIENCE SHOWS THE IMPROVEMENT OF THE SOLID WASTE COLLECTION SERVICE



Before and after the improvements in Ucayali.

“(...)Today in Pucallpa solid waste is under control(...) now that we and the citizens know more, we’re no longer putting out fires, but rather we’re setting goals – we’re managing ...”

*— Says Willy Cueva Deputy
Manager of Public
Cleaning.*

“(...) that the streets are cleaner, “before, at any time, people would take out their trash and it would sit on the street – sometimes for days. Now they respect the schedule

— says Taxi driver Dan Del Aguila

In 2013 the provincial municipality of Coronel Portillo, Ucayali had a big problem on their hands - a trash problem. Overflow from the municipal dump threatened water supplies and created a health and safety hazard for children and adults alike. Municipalities were dumping their garbage at the entrance of the landfill making routine drop offs nearly impossible to complete. Informal recyclers were delaying drop offs by sorting out recyclables while trucks were waiting in line. Delays at the landfill meant that trash pick-up times in town were unpredictable at best and trash was piling up all over town. “You should have seen the newspapers – every day they were saying, ‘the garbage, the garbage,’ and our phones never stopped ringing with complaints from citizens about the trash in the streets,” says Willy Cueva, Deputy Manager of Public Cleaning.

The USAID ProDecentralization program (PRODES) began working with the provincial municipality in early 2013 on improving solid waste collection and disposal. In November 2013, PRODES sent four municipal representatives on a study tour to Lima to learn of waste management systems. “The tour opened our eyes, and the eyes of the Mayor to the gravity of our problem,” said Rafael Paredes, Manager of Public Services. ProDecentralization then provided technical support at three important stages in the waste management cycle: landfill administration, segregation of recyclables, and waste collection, to help the provincial municipality improve its management of solid waste.



Municipal representatives on a study tour in Lima

A PRODES engineer consultant conducted an analysis of the landfill site and recommended that the municipality clear roadways within the dump to facilitate more efficient use of the space and substantially quicker drop offs. In a session facilitated by PRODES, Coronel Portillo presented the plan to the district municipalities that share the landfill, asking them to lend machinery and personnel in a coordinated effort involving three municipalities. By April 2014 roadways had been cleared within the landfill and space that had previously been inaccessible was now available for use.

At the same time Coronel Portillo launched a home-recycling initiative to reduce the waste being placed in the landfill. The recycling program addressed both the adverse environmental impact of dumping bottles



and cans in the landfill and delays at the landfill caused by recyclers sorting through each load. Participating families place a sticker on their door to indicate that they are part of

the program. Recyclers pass by homes each morning to retrieve the recyclables for deposit at a municipal warehouse where they are sorted and cleaned, to be stored until sold to recycling companies. Coronel Portillo's recycler association provides gainful employment to nine recyclers, all women, who report that the initiative has dramatically improved their working conditions. 33-year old, mother of five, Melita Lozano Huayta, reports that "not one of the recyclers has gotten sick since they formalized." To date 30% of residents participate in this program which surpasses the national government's Incentive Fund Goal #10 of 20% of residents sorting recyclables in all municipalities, which qualifies the municipality to receive additional funding to support these programs.

Concurrently, ProDecentralization provided technical assistance to Coronel



where to leave their trash and when, and public garbage cans were installed in public spaces. Local citizens agree that the change is a notable improvement: i) the frequency of collection truck travel increased from 3 to 4.75 times per week, ii) the 26 critical points of debris accumulation in the city were eliminated and iii) citizen satisfaction on the service improved from 45.2% to 88.9%.



Taxi driver Dan del Aguila says that the streets are cleaner, "before, at any time, people would take out their trash and it would sit on the street – sometimes for days. Now they respect the schedule."

Beyond making the landfill more sustainable, and lessening the environmental impact of its solid waste, the recycling program has generated sustainable employment for some of the city's most vulnerable citizens.

Portillo in establishing set garbage collection routes. Public waste managers conducted an analysis of the city streets to standardize and rationalize garbage collection schedules. Citizens were instructed

II. MATRIXES

- 2.1 PROGRAM INDICATOR ANNUAL REPORT FY 2014
- 2.2 ENVIRONMENTAL MITIGATION REPORT - EMR
- 2.3 CONTRIBUTIONS OF PARTNERS FROM PUBLIC AND PRIVATE SECTORS
- 2.4 DELIVERABLE MATRIX
- 2.5 ANNUAL SUMMARY MATRIX OF CAPACITY STRENGTHENING AND TECHNICAL ASSISTANCE
- 2.6 CONSOLIDATED ANNUAL WORKSHOP MATRIX AND NUMBER OF PEOPLE TRAINED
- 2.7 CONSOLIDATED ANNUAL TECHNICAL ASSISTANCE MATRIX AND NUMBER OF PEOPLE THAT RECEIVED T.A.
- 2.8 MATRIX OF REGIONAL AND LOCAL ELECTORAL ACTIVITIES
- 2.9 PROGRESS IN RESULT 1 DURING FY 2014
- 2.10 MATRIX: IMPLEMENTATION OF COMMUNICATIONS PLANS